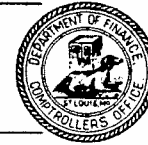


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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

✓
Carnahan Courthouse Building
1114 Market St., Room 608
St. Louis, Missouri 63101
(314) 622-4723
Fax: (314) 613-3004

October 3, 2006

Krystina Gross, Manager
Sponsored Projects Accounting
Washington University
700 Rosedale Ave
St. Louis, MO 63112-1408

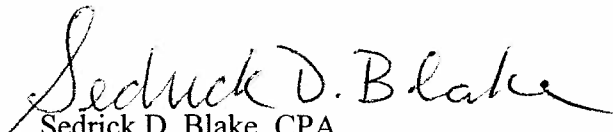
RE: Fiscal Monitoring Report of Washington University Project ARK (Project
#2007-DOH3)

Dear Ms. Gross:

Enclosed is a report of our fiscal monitoring review of Washington University Project ARK (Contracts #HD-05-09 and #HD-05-27) for the period March 1, 2004 through February 28, 2005 and March 1, 2005 through February 28, 2006 respectively. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of Washington University Project ARK. Our fieldwork was substantially completed on September 21, 2006.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and through an agreement with the Department of Health (DOH) to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact Dwayne Crandall at 613-7257.

Sincerely,


Sedrick D. Blake, CPA
Internal Audit Executive

Enclosure

cc Honorable Darlene Green, Comptroller
Dr. Kincaid, Director, City of St. Louis Department of Health



CITY OF ST. LOUIS

DEPARTMENT OF HEALTH (DOH)

WASHINGTON UNIVERSITY

PROJECT ARK

RYAN WHITE TITLE 1

CONTRACTS #HD-05-09 AND #HD-05-27

FISCAL MONITORING REVIEW

MARCH 1, 2005 THROUGH FEBRUARY 28, 2006

PROJECT #2007-DOH3

DATE ISSUED: OCTOBER 3, 2006

*Prepared by:
The Internal Audit Section*



OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH AND HOSPITALS
RYAN WHITE TITLE I
WASHINGTON UNIVERSITY PROJECT ARK
CONTRACTS #HD-05-27 AND #HD-05-09
FISCAL MONITORING REVIEW
MARCH 1, 2005 THROUGH FEBRUARY 28, 2006**

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**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH AND HOSPITALS
RYAN WHITE TITLE I
WASHINGTON UNIVERSITY PROJECT ARK
CONTRACT #HD-05-27 AND #HD-05-09
FISCAL MONITORING REVIEW
MARCH 1, 2005 THROUGH FEBRUARY 28, 2006**

INTRODUCTION

Background

Contract Name: Washington University Project ARK

Contracts Number: HD-05-09 and HD-05-27

Contract Period: March 1, 2004 through February 28, 2005
March 1, 2005 through February 28, 2006

Contract Amounts: \$322,500 and \$104,000 (latter included 2 budget revisions)

The Ryan White Title I contract provided funds from the Health Resources Services Administration (HRSA) through the City of St. Louis Department of Health. These contracts were used for early intervention / targeted outreach services consisting of the following components: specialized case management services to high-risk pregnant HIV positive women, education and OraSure testing in hard-to-reach, underserved and high-risk neighborhoods, shelters or substance abuse treatment centers, training of shelter / treatment center staff about HIV, counseling and testing through street outreach and the Mobile Testing Unit, and network HIV testing, with the goal of connecting HIV+ minority populations to primary care services.

Purpose

Our purpose was to determine Washington University's compliance with federal, state and local Department of Health (DOH) requirements for the period March 1, 2005 through February 28, 2006 and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding Washington University's internal controls relating to the grants administered by the Department of Health's (DOH), tested evidence supporting the reports the Agency submitted to DOH and performed other procedures considered necessary. Our fieldwork was substantially completed on September 21, 2006.

**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH AND HOSPITALS
RYAN WHITE TITLE I
WASHINGTON UNIVERSITY PROJECT ARK
CONTRACTS #HD-05-27 AND #HD-05-09
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CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that Washington University Project ARK did not fully comply with federal, state and local DOH contract requirements.

Status of Prior Observations

The agency's most recent fiscal monitoring report dated May 5, 2006 had no observations.

A-133 Status

The agency's most recent A-133 audit report for fiscal year ending June 30, 2005 was dated September 8, 2005 and expressed an unqualified opinion on the financial statements and the federal awards. There were no questioned costs, or no instances of noncompliance considered material to the financial statements or federal awards. However, there were two findings required to be reported by OMB Circular A-133, but they did not pertain to the City of St. Louis DOH pass-through contracts, and corrective action plans were included with the report. IAS management reviewed the report on July 11, 2006 and recommended that the report be accepted with no further action required.

Summary of Current Observations

We did not have any observations.